

Big Bear Area Regional Wastewater Agency

Regular Board Meeting Agenda

May 27, 2026 at 5:00 p.m.

121 Palomino Drive, Big Bear City, CA 92314 **and**
44-506 Hoomau St., Honokaa, HI 96727

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Approval of Agenda**
4. **Public Forum** - Public testimony is permitted at this time on the following sections of the agenda: Presentation and Introduction, Information/Committee Reports, Consent Calendar, and any other matters within the Agency's subject matter jurisdiction that are not included on the posted agenda. If you are unsure whether your public testimony falls within the subject matter jurisdiction or which agenda item it pertains to, please contact the Board Secretary before the meeting.

Each speaker is allotted a maximum of three minutes to address the Governing Board during this Public Forum. Public testimony on non-agenda items shall be limited to 30 minutes for all speakers. Please note that state law prohibits the Agency from taking action on matters not listed on the posted agenda.

For items on the posted agenda, public testimony will be taken prior to the Governing Board's deliberation of each item. Each speaker will be allotted a maximum of three minutes per item.

The Governing Board requests that public testimony focus specifically on BBARWA business. The Chair, by majority vote, may waive these time limitations and may rule out of order testimony that is unduly repetitious or irrelevant.

5. **Presentation and Introduction**

None

6. **Information/Committee Reports**

- a. General Manager's Report
- b. Replenish Big Bear Report

7. **Consent Calendar** - All matters listed on the Consent Calendar will be enacted by one motion at the appropriate time. There will be no separate discussion of these items. If a detailed discussion is necessary, any Governing Board Member may request that an item be removed from the Consent Calendar and considered separately.

- a. April 22, 2026 Regular Meeting and April 27, 2026 Special Meeting Replenish Big Bear Workshop Minutes
- b. Monthly Disbursements Report for April

- c. Investment Report Identifying Agency Investments and Reporting Interest Income for April
- d. Third Quarter Report, Nine Months Ended, March 31, 2026

8. Items Removed from the Consent Calendar

9. Old Business

None

10. New Business – Discussion/Action Items

- a. Multi-Year Contract Award for On-Call Electrical Services for Wastewater Treatment Facilities
- b. FY 2026 Other Post Employment Benefits (OPEB) Lump-Sum Contribution
- c. General Manager Employment Agreement Amendment, Pay Schedule Revisions

11. Comments and Announcements

- a. General Manager Comments
- b. Governing Board Member Comments

12. Adjournment

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if you need special assistance to participate in an Agency meeting or other services offered by the Agency, please contact the Agency at (909) 584-4018. Notification at least 48 hours prior to the meeting or time when services are needed will assist Agency staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file in the office of the Big Bear Area Regional Wastewater Agency and are available for public inspection during normal business hours.

Visit www.bbarwa.org to view and/or print the Agenda Package.



Agenda Item 6.A.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Subject: General Manager's Report

Discussion:

Administration

Adjourn the June 24, 2026 Regular Meeting

The June 24, 2026 Regular Board Meeting will be adjourned.

Amendment No. 3 to the Payment and Collection of Total Annual Charge and Standby Charges Agreement

The amendment process, initiated in February 2025, involved an extensive period of review and coordination among the Member Agencies. The Agency approved the Amendment in September 2025, followed by approval from the Big Bear City Community Services District in October 2025, and the City of Big Bear Lake in November 2025, with final approval by the San Bernardino County Board of Supervisors in April 2026.

Emergency Electric Power Supply and Coordination Agreement (no update)

Bear Valley Electric, Inc. (BVES) is reviewing the Emergency Electric Power Supply and Coordination Agreement.

Sludge Hauling Services for the Wastewater Treatment Plant Request for Proposals

The Notice Inviting Bids, dated May 14, 2026, was distributed to three (3) contractors, published in the Big Bear Grizzly Newspaper, and emailed to six (6) construction trade journals. Bids are due on June 8, 2026.

Operations

Cactus Flats Outfall Line Repair Project

Southwest Gas has completed construction.

Oxidation Ditch 1 Rotor 2 Shaft Replacement Project (no update)

Staff are waiting for replacement parts to be delivered.

Oxidation Ditch 1 Wall Rehabilitation Project

The Technical Memorandums are being finalized.

Outfall Line Investigation Project

A site visit has been scheduled with WSC to evaluate and confirm potential access routes.

Pump Station Investigation Project

Ground penetrating radar work at the Lake Pump Station has been completed, and the corrosion evaluation for Pump Stations 1, 2, and 3 is scheduled for the end of May.

Treatment Plant Data

Flow percentages for each Member Agency are shown below. The influent flow (MG) chart is attached.

<u>Member Agency</u>	<u>February</u>	<u>March</u>	<u>April</u>
City of Big Bear Lake	55.85%	59.95%	52.44%
Big Bear City CSD	40.48%	36.90%	44.40%
County of San Bernardino CSA 53B	3.67%	3.15%	3.16%

Solar Production

Actual net generation (kWh) for each fiscal year is summarized in the table below.

<u>Month</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>
July		215,598.25	285,573.00	259,658.50	288,076.00
August		229,947.25	261,893.00	281,198.50	244,730.00
September		230,749.75	280,457.00	242,325.00	221,609.00
October		276,600.50	293,122.50	270,744.00	251,891.00
November		241,524.25	247,757.00	224,763.00	182,967.00
December	29,294.26	190,418.50	206,571.00	207,309.00	181,248.97
January	212,982.42	192,716.50	202,574.00	219,277.00	195,876.00
February	260,767.19	224,106.25	204,564.50	229,821.00	169,148.00
March	295,923.69	269,443.75	244,171.50	266,439.00	268,974.00
April	319,902.94	316,650.00	301,025.00	287,155.00	266,269.87
May	330,560.38	302,288.50	311,556.50	281,839.00	
June	316,253.50	287,765.00	294,047.50	272,851.00	
Total	1,765,684.38	2,977,808.50	3,133,312.50	3,043,380.00	2,270,789.84

Connections

The monthly connections for each fiscal year and by Member Agency are summarized in the table below.

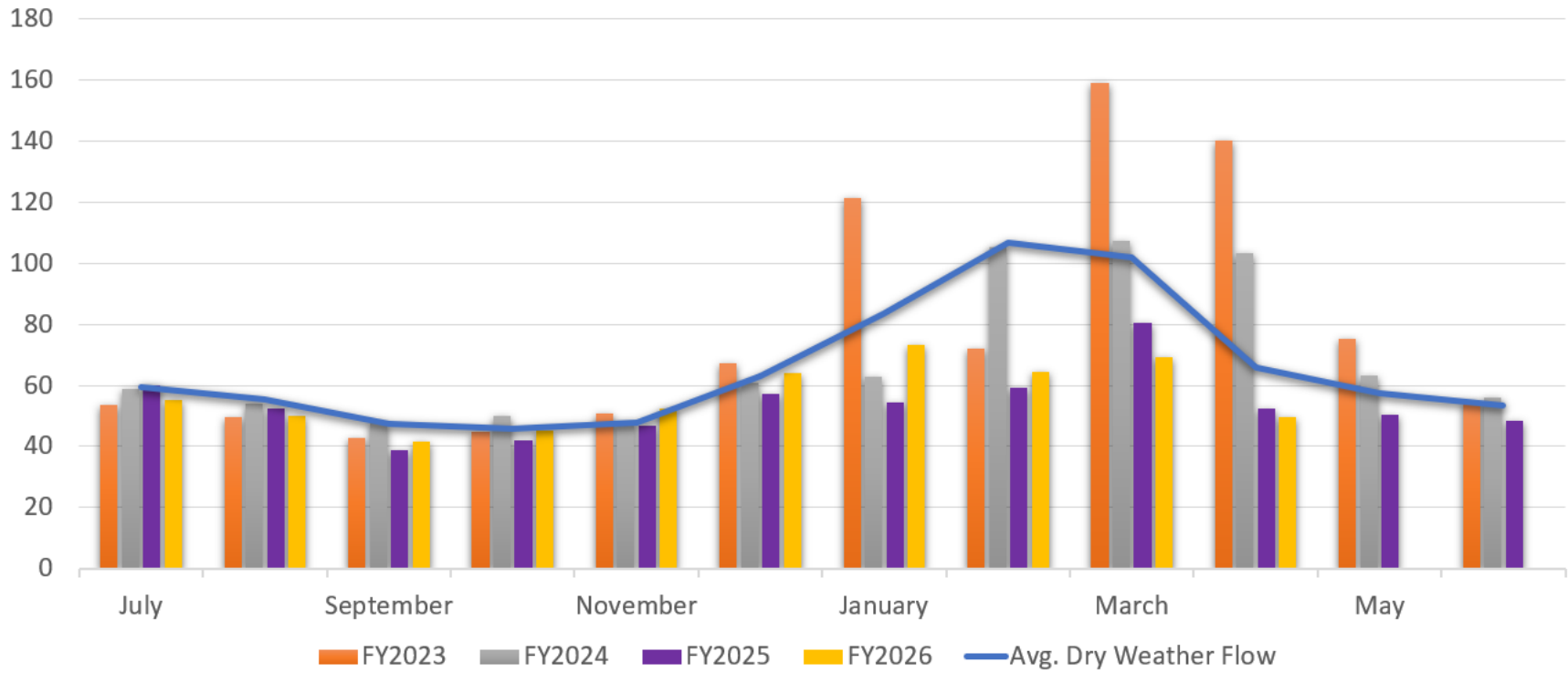
<u>Month</u>	<u>FY</u> <u>2022</u>	<u>FY</u> <u>2023</u>	<u>FY</u> <u>2024</u>	<u>FY</u> <u>2025</u>	<u>FY</u> <u>2026</u>	<u>CBBL</u>	<u>CSD</u>	<u>CSA</u> <u>53B</u>
July	11	2	5	4	6	4	2	0
August	5	13	4	7	4	1	3	0
September	7	8	69 ¹	12	5	1	4	0
October	9	6	6	1	4	0	4	0
November	5	4	2	2	1	0	1	0
December	3	2	2	4	4	3	1	0
January	2	0	2	2	2	0	2	0
February	6	0	1	2	0	0	0	0
March	9	2	2	1	5	1	4	0
April	12	4	5	1	3	3	0	0
May	7	8	12	5				
June	<u>11</u>	<u>10</u>	<u>8</u>	6				
Total	87	59	118	47	34	13	21	0

Attachment:

Influent Flow Graph

¹ Hampton Inn in the City of Big Bear Lake was 62 connections.

Influent Flow (MG)





Agenda Item 6.B.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Subject: Replenish Big Bear Report

Discussion:

*At the April 27, 2026 Replenish Big Bear Workshop, the Governing Board approved moving forward with the modified Greenspot Recharge Area alternative (Greenspot alternative) as the Program Water discharge location. Under this revised approach, the Greenspot alternative will serve as the Phase I discharge location, and BBARWA’s Wastewater Treatment Upgrades Project will be planned to discharge to Greenspot instead of Stanfield Marsh. This phased framework reflects a shift in the overall Program, with Phase I focusing on advancing the Greenspot alternative while preserving the Stanfield Marsh option for future Phase II implementation.

*Staff is initiating and coordinating the work necessary to transition to the Greenspot alternative, including defining the preliminary engineering scope, evaluating permitting and environmental review requirements, and beginning coordination with regulatory and funding agencies. These efforts are focused on establishing the technical, regulatory, and financial framework needed to advance Phase I under the revised approach. The Governing Board will be updated as additional information becomes available and key elements of the scope, schedule, and costs are further defined.

***Project Expenditures**

Expenditure Category	Expenditures as of 3/31/2026
Planning	\$5,214,389
Final Design	1,115,287
Construction	0
Short-Term Financing Interest	396,251
Finance Costs ¹	284,485
Total	\$7,010,412

¹ Finance costs include the cost of issuance of the short-term financing which includes the municipal advisor, bond counsel, and placement agent; the EPA WIFIA application fee, the S&P preliminary rating, and financial advisor.

Grants

Integrated Regional Water Management (IRWM) Proposition 1 Round 1 (Prop 1 Round 1) Grant - Invoice 18 was submitted on April 27, 2026 in the amount of \$77,929.

2022 Title XVI Grant – Staff is preparing the reimbursement request for approximately \$525,000.

2023 & 2024 Title XVI Grant – No update.

*2022 EPA STAG – The EPA approved the grant agreement and pre-award costs back to September 1, 2022.

2023 & 2024 EPA STAG – No update.

*The following table summarizes the Agency’s grants, current status, and the reimbursed and invoiced amounts as of April 30, 2026.

State Grants	Status	Grant Amount	Reimbursed Amount (a)	Reimbursement Request (b)	Total (a) + (b)
DCI Technical Assistance	Fully Funded, Closed	\$500,000	\$500,000	\$0	\$500,000
IRWM Prop 1 Round 1	In Process	4,563,338	3,917,796	77,929	3,995,725
Subtotal		\$5,063,338	\$4,417,796	\$77,929	\$4,495,725

Federal Grants	Status	Grant Amount	Reimbursed Amount (a)	Reimbursement Request (b)	Total (a) + (b)
2022 Title XVI	In Process	1,600,000	\$0	\$0	\$0
2023 & 2024 Title XVI	In Process	17,319,655	0	0	0
2022 STAG	In Process	960,000	0	0	0
2023 & 2024 STAG	Pending Application	2,000,000	0	0	0
Subtotal		\$21,879,655	\$0	\$0	\$0
Grand Total		\$26,942,993	\$4,417,796	\$77,929	\$4,495,725



Agenda Item 7.A.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: April 22, 2026 Regular Meeting and April 27, 2026 Special Meeting
Replenish Big Bear Workshop Minutes

Background & Discussion:

Attached are the minutes from the April 22, 2026 Regular Meeting and the April 27, 2026 Special Meeting Replenish Big Bear Workshop.

Financial Impact:

There is no financial impact.

Recommendation:

Approve

Attachments:

- April 22, 2026 Regular Meeting Minutes
- April 27, 2026 Special Meeting Replenish Big Bear Workshop Minutes

Big Bear Area Regional Wastewater Agency

Regular Board Meeting Minutes

April 22, 2026 at 5:00 p.m.

121 Palomino Drive, Big Bear City, CA 92314 and
44-506 Hoomau St., Honokaa, HI 96727

1. Call to Order

A Regular Meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was called to order by Chair Segovia at 5:00 p.m. on April 22, 2026 at 121 Palomino Drive, Big Bear City, California.

Board Members Present: Kendi Segovia, Chair; Larry Walsh, Vice-Chair; Rick Herrick, Director (via Zoom); John Russo, Director; and Andrew Sauer, Director

Board Members Absent: None

Staff Members Present: David Lawrence, General Manager; Bridgette Burton, Assistant General Manager/Board Secretary; Christine Bennett, Finance Manager; John Shimmin, Plant Manager; and Sonja Kawa, Human Resources Coordinator/Accounting Technician

Others: Glenn Jacklin, General Manager, Big Bear City Community Services District; Sean Sullivan, Assistant City Manager/Director of Public Works, City of Big Bear Lake

Members of the public who signed in: None

2. Pledge of Allegiance – Chair Segovia

3. Approval of Agenda

Upon motion by Director Sauer, seconded by Chair Segovia and carried, the Governing Board approved the agenda as presented.

Ayes: Herrick, Russo, Sauer, Segovia, Walsh

Noes: None

Absent: None

Abstain: None

4. Public Forum

There were no public comments.

5. Presentation and Introduction

a. Nikki Crumpler 25-year Recognition

The General Manager and Governing Board thanked Ms. Crumpler for her years of service.

- b. Certificate of Achievement for Excellence in Financial Reporting, Government Finance Officers Association

The Finance Manager presented the award.

6. Information/Committee Reports

- a. General Manager's Report

The General Manager reported on the status of the Cactus Flats Outfall Line Repair Project.

- b. Replenish Big Bear Report

The General Manager stated there will be a Replenish Big Bear Workshop on April 27, 2026 at 9:00 a.m.

7. Consent Calendar Approved Items

- a. March 25, 2026 Regular Meeting Minutes
- b. Monthly Disbursements Report for March
- c. Investment Report Identifying Agency Investments and Reporting Interest Income for March
- d. Resolution No. R. 07-2026, A Resolution of the Big Bear Area Regional Wastewater Agency Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act (Public Resources Code §§ 21000 et seq.)
- e. Compensation Study 2026

Upon motion by Director Russo, seconded by Chair Segovia and carried, the Governing Board approved the consent calendar as presented.

Ayes: Herrick, Russo, Sauer, Segovia, Walsh

Noes: None

Absent: None

Abstain: None

8. Items Removed from the Consent Calendar

None

9. Old Business

None

10. New Business – Discussion/Action Items

- a. Pay Schedule

The Human Resources Coordinator explained that a 3.3% COLA was included in the FY 2027 Budget based on CPI data and that the Plant Operator-in-Training pay range was adjusted to 5% below market median following the Compensation Study.

Upon motion by Director Sauer, seconded by Chair Segovia and carried, the Governing Board approved the publicly available Pay Schedule effective July 11, 2026.

Ayes: Herrick, Russo, Sauer, Segovia, Walsh
Noes: None
Absent: None
Abstain: None

- b.** Resolution No. R. 08-2026, A Resolution of the Big Bear Area Regional Wastewater Agency Approving the RAS Header Replacement Project and Finding the Project Exempt from the California Environmental Quality Act Pursuant to State CEQA Guidelines Section 15301 (Existing Facilities)

The General Manager provided the timeline for the Request for Proposals and recommended adopting the Resolution and awarding the contract to S. Porter, Inc.

Upon motion by Director Russo, seconded by Director Sauer and carried, the Governing Board adopted Resolution No. R. 08-2026, awarded a contract to S. Porter, Inc. in the amount of \$209,500 and authorized the General Manager to negotiate and execute the contract documents.

Ayes: Herrick, Russo, Sauer, Segovia, Walsh
Noes: None
Absent: None
Abstain: None

11. Comments and Announcements

- a.** General Manager Comments

None

- b.** Governing Board Comments

None

12. Closed Session

- a.** Public Employee Performance Evaluation, Pursuant to Government Code Section 54957(b)(1), Title General Manager

The Governing Board entered closed session at 5:13 p.m. and reconvened at 6:19 p.m. with no reportable action.

13. Adjournment

With no further business to come before the Governing Board, Chair Segovia adjourned the meeting at 6:19 p.m.

Attest:

Bridgette Burton, Secretary to the Governing Board
Big Bear Area Regional Wastewater Agency

Big Bear Area Regional Wastewater Agency

Special Board Meeting Minutes
April 27, 2026 at 9:00 a.m.
121 Palomino Drive, Big Bear City, CA 92314

1. Call to Order

A Special Meeting of the Governing Board of the Big Bear Area Regional Wastewater Agency was called to order by Chair Segovia at 9:00 a.m. on April 27, 2026 at 121 Palomino Drive, Big Bear City, California.

Board Members Present: Kendi Segovia, Chair; Larry Walsh, Vice-Chair; Rick Herrick (joined at 9:02 a.m.), Director; John Russo (stepped away at 9:54 a.m., returned at 9:55 a.m.; stepped away at 10:54 a.m., returned at 10:55 a.m.), Director; and Andrew Sauer, Director

Board Members Absent: None

Staff Members Present: David Lawrence, General Manager; Bridgette Burton, Assistant General Manager/Board Secretary; John Shimmin, Plant Manager; and Christine Bennett, Finance Manager

Others: Laine Carlson, Vice-President, Water Systems Consulting, Inc., Jared Cheek, General Manager, Big Bear Municipal Water District; Glenn Jacklin, General Manager, Big Bear City Community Services District; Matt Rodrigues, Senior Engineer, Water Systems Consulting, Inc., Ward Simmons, Partner, Best Best & Krieger, LLP; and Sean Sullivan, Assistant City Manager/Director of Public Works, City of Big Bear Lake

Members of the public who signed in: Joe Cylwik, Fawnskin; Joyce Crist, Big Bear City; and John Saunders, Fawnskin and Big Bear City

2. Pledge of Allegiance – Director Sauer

3. Approval of Agenda

Upon motion by Director Sauer, seconded by Vice-Chair Walsh and carried, the Governing Board approved the agenda as presented.

Ayes: Herrick, Russo, Sauer, Segovia, Walsh
Noes: None
Absent: None
Abstain: None

4. Public Forum

Public comments were taken during Item 5.

5. New Business – Discussion/Action Items

- a. Replenish Big Bear Presentation: Current Scope and Financial Impacts, Greenspot Recharge Alternative, Potential Grant Impacts, and Questions for the Board

Staff and Water Systems Consulting, Inc. presented an overview of Replenish Big Bear, comparing the current scope with the Greenspot Recharge Area alternative, including capital and O&M costs, rate and debt impacts, regulatory considerations, and grant eligibility.

Public comments were heard.

Upon motion by Director Herrick, seconded by Chair Segovia and carried, the Governing Board approved moving forward with the modified Greenspot Recharge Area alternative.

Ayes: Herrick, Sauer, Segovia

Noes: Walsh, Russo

Absent: None

Abstain: None

6. Closed Session

- a. Conference with Real Property Negotiators pursuant to Government Code Section 54956.8

Property: 2190 State Lane, APN: 0315-253-51

Agency Negotiator: General Manager David Lawrence

Negotiating Parties: Woll BBE, LLC

Under Negotiation: Price and Terms of Payment

The Governing Board entered closed session at 11:35 a.m. and reconvened at 12:01 p.m. with no reportable action.

7. Adjournment

With no further business to come before the Governing Board, Chair Segovia adjourned the meeting at 12:02 p.m.

Attest:

Bridgette Burton, Secretary to the Governing Board
Big Bear Area Regional Wastewater Agency



Big Bear Area Regional Wastewater Agency

Kendi Segovia – Chair
Larry Walsh – Vice-Chair
Rick Herrick – Director
John Russo – Director
Andrew Sauer - Director

Agenda Item 7.B.

Meeting Date: May 27, 2026

To: Governing Board of the Big Bear Area Regional Wastewater Agency

From: David Lawrence, P.E., General Manager

Prepared By: Christine Bennett, Finance Manager

Subject: Monthly Disbursement Report

Background:

Attached is the Agency's April check register which reflects accounts paid during that period.

Financial Impact:

There is no financial impact.

Recommendation:

Informational

Attachments:

Check Register

Check Register by Account

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Apr 1, 2026 to Apr 30, 2026

Check #	Date	Payee	Cash Account	Amount
25604	4/8/26	ALLISON MECHANICAL INC.	1000-20	4,092.00
25605	4/8/26	AMAZON CAPITAL SERVICES	1000-20	1,368.41
25606	4/8/26	ATKINS WOODWORKING LLC	1000-20	1,939.50
25607	4/8/26	BEST BEST & KRIEGER LLP	1000-20	7,964.80
25608	4/8/26	BIG BEAR CITY COMMUNITY SERVICES DIST.	1000-20	600.77
25609	4/8/26	BIG BEAR PAINT CENTER	1000-20	445.85
25610	4/8/26	BRYCE CONSULTING INC.	1000-20	900.00
25611	4/8/26	BUTCHER'S BLOCK	1000-20	869.83
25612	4/8/26	BEAR VALLEY ELECTRIC	1000-20	31,734.15
25613	4/8/26	DIY HOME CENTER-BIG BEAR	1000-20	338.36
25614	4/8/26	FLYERS ENERGY, LLC	1000-20	2,154.88
25615	4/8/26	FRONTIER	1000-20	1,511.89
25616	4/8/26	GOVERNMENT FINANCE OFFICERS ASSN	1000-20	380.00
25617	4/8/26	BIG BEAR GRIZZLY	1000-20	1,575.75
25618	4/8/26	HUGHES NETWORK SYSTEMS LLC	1000-20	101.52
25619	4/8/26	LIFE TECHNOLOGIES CORPORATION	1000-20	1,389.98
25620	4/8/26	M & M MECHANICAL SERVICES INC.	1000-20	129.30
25621	4/8/26	MCMASTER-CARR	1000-20	682.95
25622	4/8/26	MUNIQUIP LLC	1000-20	3,142.75
25623	4/8/26	NAPA OF BIG BEAR	1000-20	56.29
25624	4/8/26	PITNEY BOWES GLOBAL FINANCIAL SERVICES	1000-20	12.33
25625	4/8/26	POLYDYNE INC	1000-20	4,437.55
25626	4/8/26	POWERFLO PRODUCTS INC.	1000-20	7,438.27
25627	4/8/26	PRIMO BRANDS	1000-20	389.23
25628	4/8/26	QUILL LLC	1000-20	127.44
25629	4/8/26	RDO EQUIPMENT CO.	1000-20	673.91
25630	4/8/26	RINGCENTRAL INC.	1000-20	413.28
25631	4/8/26	ROI ENGINEERING LLC	1000-20	2,309.00
25632	4/8/26	SAGE SOFTWARE INC	1000-20	1,923.00
25633	4/8/26	SOCIETY FOR HUMAN RESOURCE MANAGEMENT	1000-20	299.00
25634	4/8/26	SKYVIEW ELECTRIC	1000-20	16,023.99
25635	4/8/26	SPECTRUM BUSINESS	1000-20	1,053.96
25636	4/8/26	SWRCB	1000-20	475.00
25638	4/8/26	UNDERGROUND SERVICE ALERT	1000-20	157.62
25639	4/8/26	VESTIS	1000-20	3,083.22
25640	4/8/26	VIKING COMMERCIAL CLEANING	1000-20	704.10
25649	4/23/26	ALLISON MECHANICAL INC.	1000-20	6,953.00
25650	4/23/26	AMAZON CAPITAL SERVICES	1000-20	1,154.27
25652	4/23/26	BUSINESS CARD	1000-20	5,441.98
25653	4/23/26	CANON FINANCIAL SERVICES INC	1000-20	1,341.49
25654	4/23/26	CLINICAL LAB OF SAN BERNARDINO	1000-20	825.00
25655	4/23/26	COUNTY OF SAN BERNARDINO	1000-20	334.50
25656	4/23/26	CWEA TCP MEMBERSHIP	1000-20	225.00
25657	4/23/26	TOM DODSON & ASSOCIATES	1000-20	460.00
25658	4/23/26	DISTRIBUTED SOLAR DEVELOPMENT LLC	1000-20	21,678.97
25659	4/23/26	DEPARTMENT OF WATER & POWER	1000-20	54.84
25660	4/23/26	FEDEX	1000-20	60.89

25661	4/23/26	GRAINGER	1000-20	361.27
25662	4/23/26	BEAR VALLEY BASIN GSA	1000-20	2,585.82
25663	4/23/26	HACH COMPANY	1000-20	167.75
25664	4/23/26	MCMASTER-CARR	1000-20	211.02
25665	4/23/26	MCR TECHNOLOGIES INC.	1000-20	2,089.33
25666	4/23/26	PHENOVA	1000-20	1,241.77
25667	4/23/26	PRIMO BRANDS	1000-20	295.29
25668	4/23/26	QUILL LLC	1000-20	117.43
25669	4/23/26	AMERICAN RED CROSS	1000-20	1,478.60
25670	4/23/26	SKYVIEW ELECTRIC	1000-20	41,693.81
25671	4/23/26	SOUTHWEST GAS	1000-20	1,022.85
25672	4/23/26	SYNAGRO TECHNOLOGIES INC	1000-20	37,416.37
25673	4/23/26	USA BLUEBOOK	1000-20	5,121.35
25674	4/23/26	VC3 INC.	1000-20	11,217.43
25675	4/23/26	VERIZON WIRELESS	1000-20	229.07
25676	4/23/26	WINZER CORP	1000-20	730.45
25677	4/23/26	WATER SYSTEMS CONSULTING INC.	1000-20	41,048.25
			Total	<u>286,457.68</u>

Personnel Expenditures (e.g., benefits, reimbursements) are not included in this report.

Big Bear Area Regional Wastewater Agency
Check Register
For the Period From Apr 1, 2026 to Apr 30, 2026

Account #	Check #	Date	Payee	Description	Amount
Power					
6100-05	25658	4/23/26	DISTRIBUTED SOLAR DEVELOPMENT LLC	Solar Purchases	21,678.97
6100-11	25671	4/23/26	SOUTHWEST GAS	Gas - Administration Building	449.24
6100-12	25671	4/23/26	SOUTHWEST GAS	Gas - Treatment Plant	573.61
6100-20	25612	4/8/26	BEAR VALLEY ELECTRIC	Electricity - Treatment Plant	23,227.42
6100-21	25612	4/8/26	BEAR VALLEY ELECTRIC	Electricity - Stations	8,491.33
6100-22	25612	4/8/26	BEAR VALLEY ELECTRIC	Electricity - Administration Building	15.40
Total Power					54,435.97
Sludge Removal					
6200-00	25672	4/23/26	SYNAGRO TECHNOLOGIES INC	Sludge Removal	37,416.37
Total Sludge Removal					37,416.37
Chemicals					
6300-10	25673	4/23/26	USA BLUEBOOK	Odor Control - Disinfectant	4,649.20
6300-20	25625	4/8/26	POLYDYNE INC	Polymer	4,437.55
6300-30	25663	4/23/26	HACH COMPANY	Laboratory Reagents	167.75
6300-30	25666	4/23/26	PHENOVA	Laboratory Reagents	1,241.77
Total Chemicals					10,496.27
Materials and Supplies					
6400-10	25605	4/8/26	AMAZON CAPITAL SERVICES	Office and Janitorial Supplies, Employee Recognition	473.38
6400-10	25606	4/8/26	ATKINS WOODWORKING LLC	Reception Cabinet Deposit	1,939.50
6400-10	25616	4/8/26	GOVERNMENT FINANCE OFFICERS ASSN PITNEY BOWES GLOBAL FINANCIAL	FY 2027 Budget Award Application Submittal	380.00
6400-10	25624	4/8/26	SERVICES	Postage Machine Lease Tax	12.33
6400-10	25627	4/8/26	PRIMO BRANDS	Bottled Water	389.23
6400-10	25628	4/8/26	QUILL LLC	Office Supplies	127.44
6400-10	25650	4/23/26	AMAZON CAPITAL SERVICES	Employee Recognition	158.40
6400-10	25652	4/23/26	BUSINESS CARD	Meeting, Office, and Breakroom Supplies	491.03
6400-10	25653	4/23/26	CANON FINANCIAL SERVICES INC	Copier Lease	1,341.49
6400-10	25660	4/23/26	FEDEX	Shipping Charges	60.89
6400-10	25667	4/23/26	PRIMO BRANDS	Bottled Water	295.29
6400-10	25668	4/23/26	QUILL LLC	Office Supplies	117.43
6400-20	25605	4/8/26	AMAZON CAPITAL SERVICES	Safety Supplies	423.26

6400-20	25650	4/23/26	AMAZON CAPITAL SERVICES	Safety Supplies	72.68
6400-20	25652	4/23/26	BUSINESS CARD	Safety Supplies	226.26
6400-25	25619	4/8/26	LIFE TECHNOLOGIES CORPORATION	Laboratory Supplies	1,389.98
6400-25	25665	4/23/26	MCR TECHNOLOGIES INC.	Laboratory Supplies	2,089.33
6400-26	25614	4/8/26	FLYERS ENERGY, LLC	Fuel	2,154.88
6400-27	25661	4/23/26	GRAINGER	Air Filters	361.27
6400-40	25609	4/8/26	BIG BEAR PAINT CENTER	Paint	445.85
6400-40	25611	4/8/26	BUTCHER'S BLOCK	Miscellaneous Hardware	227.96
6400-40	25613	4/8/26	DIY HOME CENTER-BIG BEAR	Miscellaneous Hardware	88.64
6400-40	25664	4/23/26	MCMaster-CARR	Miscellaneous Hardware	75.81
6400-40	25676	4/23/26	WINZER CORP	Miscellaneous Hardware	582.56
6400-50	25611	4/8/26	BUTCHER'S BLOCK	Ground Maintenance Supplies	462.99
6400-50	25652	4/23/26	BUSINESS CARD	Ground Maintenance Supplies	1,874.82
6400-75	25605	4/8/26	AMAZON CAPITAL SERVICES	Tools	440.53
6400-75	25611	4/8/26	BUTCHER'S BLOCK	Tools	85.08
6400-75	25613	4/8/26	DIY HOME CENTER-BIG BEAR	Tools	30.04
6400-75	25650	4/23/26	AMAZON CAPITAL SERVICES	Tools	923.19
6400-75	25652	4/23/26	BUSINESS CARD	Tools	2,149.87
6400-75	25676	4/23/26	WINZER CORP	Tools	147.89
6400-80	25611	4/8/26	BUTCHER'S BLOCK	Plumbing Supplies	93.80
6400-80	25613	4/8/26	DIY HOME CENTER-BIG BEAR	Plumbing Supplies	219.68

Total Materials and Supplies **20,352.78**

Repairs and Replacements

6500-20	25626	4/8/26	POWERFLO PRODUCTS INC.	RAS Pump #1 Rebuild and Seals	7,438.27
6500-20	25673	4/23/26	USA BLUEBOOK	Pump	472.15
6500-30	25620	4/8/26	M & M MECHANICAL SERVICES INC.	Equipment Repair	129.30
6500-30	25621	4/8/26	MCMaster-CARR	Surface Mount Adjustable Blades	682.95
6500-30	25623	4/8/26	NAPA OF BIG BEAR	Equipment Maintenance	56.29
6500-36	25605	4/8/26	AMAZON CAPITAL SERVICES	Fuel Filters	31.24
6500-36	25629	4/8/26	RDO EQUIPMENT CO.	Generator Repair Parts	673.91
6500-38	25664	4/23/26	MCMaster-CARR	Lucerne Valley Irrigation Line Repairs	135.21
6500-40	25622	4/8/26	MUNIQUELL LLC	Flow Sensor Cable Repairs	3,142.75

Total Repairs and Replacements **12,762.07**

Utilities

6530-10	25659	4/23/26	DEPARTMENT OF WATER & POWER BIG BEAR CITY COMMUNITY SERVICES	Utilities - Water	54.84
6530-20	25608	4/8/26	DIST.	Trash Service	600.77
6530-30	25655	4/23/26	COUNTY OF SAN BERNARDINO	Solid Waste Disposal	334.50

					Total Utilities	990.11
Communication Expense						
6550-10	25615	4/8/26	FRONTIER	SCADA		972.71
6550-10	25618	4/8/26	HUGHES NETWORK SYSTEMS LLC	SCADA		101.52
6550-10	25631	4/8/26	ROI ENGINEERING LLC	SCADA Support		2,309.00
6550-10	25635	4/8/26	SPECTRUM BUSINESS	SCADA		344.97
6550-40	25615	4/8/26	FRONTIER	Telephone Service		539.18
6550-40	25630	4/8/26	RINGCENTRAL INC.	Telephone Service and Maintenance		413.28
6550-40	25675	4/23/26	VERIZON WIRELESS	Telephone Service		189.80
6550-50	25635	4/8/26	SPECTRUM BUSINESS	Internet, Wireless Service		708.99
6550-50	25675	4/23/26	VERIZON WIRELESS	Internet, Wireless Service		39.27
6550-60	25632	4/8/26	SAGE SOFTWARE INC	Sage Fixed Assets Annual Subscription		1,923.00
6550-60	25674	4/23/26	VC3 INC.	VPN Phase 2, Duo Tokens, Monthly IT Service		11,217.43
					Total Communication Expense	18,759.15
Contractual Services Other						
6600-10	25654	4/23/26	CLINICAL LAB OF SAN BERNARDINO	Testing		825.00
6600-20	25639	4/8/26	VESTIS	Uniform Laundry Service		3,083.22
6600-60	25634	4/8/26	SKYVIEW ELECTRIC	Miscellaneous Electrical Upgrades/Repairs		16,023.99
6600-60	25670	4/23/26	SKYVIEW ELECTRIC	Headworks Lighting, Clarifiers Pulsar Project, Electrical Svc		41,693.81
6600-65	25604	4/8/26	ALLISON MECHANICAL INC.	HVAC Repairs		4,092.00
6600-65	25649	4/23/26	ALLISON MECHANICAL INC.	HVAC Repairs		6,953.00
6600-80	25640	4/8/26	VIKING COMMERCIAL CLEANING	Janitorial Service		704.10
					Total Contractual Services Other	73,375.12
Contractual Services Professional						
6700-20	25607	4/8/26	BEST BEST & KRIEGER LLP	Legal Services		7,726.80
6700-30	25610	4/8/26	BRYCE CONSULTING INC.	Compensation Study		900.00
					Total Contractual Services Professional	8,626.80
Permits and Fees						
6800-10	25638	4/8/26	UNDERGROUND SERVICE ALERT	Dig Alert Ticket Charges		157.62
					Total Permits and Fees	157.62
Other Expense						
6950-10	25633	4/8/26	SOCIETY FOR HUMAN RESOURCE MANAGEMENT	Annual Membership		299.00
6950-30	25617	4/8/26	BIG BEAR GRIZZLY	Legal Notices		1,575.75
6950-40	25636	4/8/26	SWRCB	Certification Renewals		475.00
6950-40	25652	4/23/26	BUSINESS CARD	CLA-VAL Course Training		700.00
6950-40	25656	4/23/26	CWEA TCP MEMBERSHIP	Certification		225.00

6400-75	25669	4/23/26	AMERICAN RED CROSS	First Aid/CPR Training		<u>1,478.60</u>
					Total Other Expense	4,753.35
Other Nonoperating Expense						
8000-11	25662	4/23/26	BEAR VALLEY BASIN GSA	GSA Administration Costs		<u>2,585.82</u>
					Total Nonoperating Other Expense	2,585.82
Capital Expenditures						
9500-00	25657	4/23/26	TOM DODSON & ASSOCIATES	Cactus Flats Outfall Line Project Environmental		<u>460.00</u>
					Total Capital Expenditures	460.00
Replenish Big Bear Capital Expenditures						
9500-10	25677	4/23/26	WATER SYSTEMS CONSULTING INC.	RBB Final Design		34,527.75
9500-10	25677	4/23/26	WATER SYSTEMS CONSULTING INC.	RBB Engineering		6,520.50
9500-12	25607	4/8/26	BEST BEST & KRIEGER LLP	RBB Legal Service		<u>238.00</u>
					Total Replenish Big Bear Capital Expenditures	41,286.25
					Grand Total	<u>286,457.68</u>

Personnel Expenditures (e.g., benefits, reimbursements) are not included in this report.



Big Bear Area Regional Wastewater Agency

Kendi Segovia – Chair
Larry Walsh – Vice-Chair
Rick Herrick – Director
John Russo – Director
Andrew Sauer - Director

Agenda Item 7.C.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Christine Bennett, Finance Manager
Subject: Investment Report Identifying Agency Investments and Reporting Interest Income

Background:

Attached is the April Monthly Investment Report pursuant to the Agency's Investment Policy.

Financial Impact:

There is no financial impact.

Recommendation:

Informational

Attachments:

Monthly Investment Report
LAIF Statement

BBARWA
 Monthly Investment Report
 April 2026

<u>INVESTMENT TYPE</u>	<u>COST</u>	<u>FAIR MARKET VALUE (1)</u>	<u>YEAR TO DATE INTEREST(2)</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
LOCAL AGENCY INVESTMENT FUND	\$ 11,650,341	\$ 11,650,118	\$ 537,553	3.811%	DAILY
TOTAL	\$ 11,650,341	\$ 11,650,118	\$ 537,553		

The Investment Portfolio of the Big Bear Area Regional Wastewater Agency is in compliance with the investment policy approved in August 2025. The Agency will be able to meet its expenditure requirements for the next six months.

(1) LOCAL AGENCY INVESTMENT FUND (LAIF) IS A STATE-RUN INVESTMENT POOL PROVIDED FOR PUBLIC AGENCIES. THE LAIF MARKET VALUE SHOWN ON THIS TREASURER'S REPORT REPRESENTS BBARWA'S SHARE OF THE **LIQUID VALUE** OF LAIF'S PORTFOLIO IF IT WAS LIQUIDATED AS OF THE END OF THE REPORTED MONTH. THIS NUMBER SERVES AS AN INDICATOR OF WHETHER OR NOT THE **MARKET VALUE** OF LAIF'S INVESTMENTS IS ABOVE OR BELOW THE **COST** OF THOSE INVESTMENTS.

(2) Interest paid quarterly on LAIF investment. Amount reflects interest income received at the reporting date during FY 2026 and excludes accrued interest.

Attachment (s): Monthly LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

May 05, 2026

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

FINANCE MANAGER
P.O. BOX 517
BIG BEAR CITY, CA 92314

[Tran Type Definitions](#)

Account Number:

April 2026 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2026	4/14/2026	QRD	1797627	N/A	SYSTEM	116,376.79

Account Summary

Total Deposit:	116,376.79	Beginning Balance:	11,533,964.54
Total Withdrawal:	0.00	Ending Balance:	11,650,341.33



Big Bear Area Regional Wastewater Agency

Kendi Segovia – Chair
Larry Walsh – Vice-Chair
Rick Herrick – Director
John Russo – Director
Andrew Sauer - Director

Agenda Item 7.D.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Christine Bennett, Finance Manager
Subject: Third Quarter Report, Nine Months Ended March 31, 2026

Background:

Please find attached the Third Quarter Report, which discusses the year to date financial performance compared to budget.

The Agency performed under budget for the third quarter with operating expenses falling below the budget by \$343,719 or 7%. A detailed description of major variances to budget is included in the attached report.

Financial Impact:

There is no financial impact.

Recommendation:

Informational

Attachment:

Third Quarter Report

Big Bear Area Regional Wastewater Agency

3rd Quarter Report

Nine Months ended March 31, 2026



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating Revenues							
Annual charges	0	4,855,393	0	4,855,393	4,855,393	0	0%
Waste disposal fees	7,629	6,605	5,511	19,745	19,945	(199)	-1%
Rental income	2,211	6,527	1	8,739	3	8,736	nm (b)
Standby fees	0	35,903	0	35,903	35,903	0	0%
Other operating revenue	<u>311</u>	<u>4,066</u>	<u>(1,030)</u>	<u>3,347</u>	<u>0</u>	<u>3,347</u>	nm (b)
Total Operating Revenues	10,151	4,908,493	4,482	4,923,126	4,911,244	11,883	0%
Operating Expenses							
Salaries and benefits	1,059,306	689,760	785,012	2,534,078	2,588,696	(54,618)	-2%
Power	99,259	97,501	122,282	319,042	368,279	(49,238)	-13%
Sludge removal	68,831	65,175	100,038	234,044	265,363	(31,319)	-12%
Chemicals	24,793	9,127	17,876	51,796	67,519	(15,723)	-23%
Materials and supplies	24,258	34,733	36,919	95,909	106,499	(10,590)	-10%
Repairs and replacements	102,988	51,807	60,847	215,642	190,881	24,761	13%
Equipment rental	781	332	1,310	2,423	1,541	883	57%
Utilities expense	8,440	4,286	4,553	17,279	33,470	(16,191)	-48%
Communications expense	64,648	31,008	36,758	132,414	146,767	(14,353)	-10%
Contractual services – other	49,819	34,384	41,105	125,308	170,797	(45,489)	-27%
Contractual services – Prof	21,096	26,682	28,112	75,891	116,581	(40,690)	-35%
Permits and fees	23,117	244,572	3,154	270,842	299,154	(28,312)	-9%
Property tax expense	0	4,354	0	4,354	4,309	46	1%
Insurance expense	275,714	1,445	0	277,160	317,839	(40,679)	-13%
Other operating expense	8,298	20,282	8,318	36,898	59,104	(22,206)	-38%
Depreciation expense (a)	<u>0</u>	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	nm (b)
Total Operating Expenses	1,831,348	1,315,448	1,246,283	4,393,079	4,736,798	(343,719)	-7%
Operating Income	(1,821,197)	3,593,046	(1,241,801)	530,047	174,446	355,602	204%
Nonoperating income (expense)							
Nonoperating income	(11,949)	153,395	108,767	250,212	2,212,514	(1,962,301)	-89%
Nonoperating expense	<u>(250)</u>	<u>(71,002)</u>	<u>(3,270)</u>	<u>(74,522)</u>	<u>(98,934)</u>	<u>24,412</u>	+ (c)
Total nonoperating income (expense)	(12,199)	82,392	112,037	175,690	2,113,580	(1,937,889)	-92%
Income before capital contributions	(1,833,396)	3,675,438	(1,129,764)	705,738	2,288,025	(1,582,288)	-69%
Capital contributions – connection fees	<u>58,520</u>	<u>37,620</u>	<u>29,260</u>	<u>125,400</u>	<u>112,860</u>	<u>12,540</u>	<u>11%</u>
Change in Net Position	(1,774,876)	3,713,058	(1,100,504)	831,138	2,400,885	(1,569,747)	-65%

(a) Currently, the agency depreciates its assets at the end of the year. Therefore, depreciation expense is presented as 0 on an interim basis.

(b) nm = not meaningful and is the result when dividing by 0.

(c) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a “+” is given. If the actual performance is worse when compared to the budget a “-” is given.



STATEMENT OF CASH FLOW

	Q3 Thru 3/31/2026
Cash flows from operating activities	
Cash received from customers and other sources	5,218,108
Cash payments to suppliers for goods and services	(2,088,656)
Cash payments to employees	<u>(2,559,688)</u>
Net cash provided by operating activities	569,764
Cash flows from capital and related financing activities	
Interagency and GSA Expense	(4,464)
Purchases of property, plant, and equipment	(1,782,281)
Sale, disposal of PP&E and other	0
Capital contributions	129,580
Proceeds from debt issuance	0
Proceeds from grant issuance	(5,683)
Proceeds from lease revenues	12,478
Prepayment premiums and issuance costs	0
Principal payments on long-term debt	(3,625,873)
Interest paid on long-term debt	<u>(95,292)</u>
Net cash used for capital and related financing activities	(5,371,536)
Cash flows from investing activities	
Investment income received	<u>402,165</u>
Net cash provided by investing activities	402,165
Net change in cash equivalents	(4,399,607)
Cash equivalents, beginning of period	16,173,777
Cash equivalents, end of period	<u>11,774,169</u>
Change in cash equivalents	(4,399,607)

Discussion and Analysis

Operating Revenues

Operating revenues were higher than the budget by \$11,883, which generates a variance of under 1%.

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating Revenues							
Annual charges	0	4,855,393	0	4,855,393	4,855,393	0	0%
Waste disposal fees	7,629	6,605	5,511	19,745	19,945	(199)	-1%
Rental income	2,211	6,527	1	8,739	3	8,736	nm (b)
Standby fees	0	35,903	0	35,903	35,903	0	0%
Other operating revenue	<u>311</u>	<u>4,066</u>	<u>(1,030)</u>	<u>3,347</u>	<u>0</u>	<u>3,347</u>	nm (b)
Total Operating Revenues	10,151	4,908,493	4,482	4,923,126	4,911,244	11,883	0%

(b) nm = not meaningful and is the result when dividing by 0.



Operating Expenses

Operating expenses were below the budget by \$343,719 or 7%. Variances greater than 10% and \$20,000 are highlighted and discussed below.

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Operating Expenses							
Salaries and benefits	1,059,306	689,760	785,012	2,534,078	2,588,696	(54,618)	-2%
Power	99,259	97,501	122,282	319,042	368,279	(49,238)	-13%
Sludge removal	68,831	65,175	100,038	234,044	265,363	(31,319)	-12%
Chemicals	24,793	9,127	17,876	51,796	67,519	(15,723)	-23%
Materials and supplies	24,258	34,733	36,919	95,909	106,499	(10,590)	-10%
Repairs and replacements	102,988	51,807	60,847	215,642	190,881	24,761	13%
Equipment rental	781	332	1,310	2,423	1,541	883	57%
Utilities expense	8,440	4,286	4,553	17,279	33,470	(16,191)	-48%
Communications expense	64,648	31,008	36,758	132,414	146,767	(14,353)	-10%
Contractual services – other	49,819	34,384	41,105	125,308	170,797	(45,489)	-27%
Contractual services – Prof	21,096	26,682	28,112	75,891	116,581	(40,690)	-35%
Permits and fees	23,117	244,572	3,154	270,842	299,154	(28,312)	-9%
Property tax expense	0	4,354	0	4,354	4,309	46	1%
Insurance expense	275,714	1,445	0	277,160	317,839	(40,679)	-13%
Other operating expense	8,298	20,282	8,318	36,898	59,104	(22,206)	-38%
Depreciation expense (a)	<u>0</u>	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	nm (b)
Total Operating Expenses	1,831,348	1,315,448	1,246,283	4,393,079	4,736,798	(343,719)	-7%

(b) nm = not meaningful and is the result when dividing by 0.

An explanation of the major variances by line item follows.

Power was under budget by \$49,238 or 13% which was mainly a result of higher production of solar power resulting in a decrease in electricity costs for the treatment plant and administration building. Electricity costs are budgeted based on anticipated rate increases and average usage. Solar production came online in December of Fiscal Year 2022. As more data is available, the budget for solar purchases and electricity will adjust.

Sludge Removal expense was under budget by \$31,309 or 12% which was due to lower sludge removal compared to budget. Sludge removal budget was based on removing 3,872 tons; however, actual tons hauled was 3,397, a reduction of 475 tons for the year-to-date period.

Repairs and Replacements expense was over budget by \$24,761 or 13% primarily a result of increases in mainline; pumps, motors, and bearings; and equipment and machinery partially offset by other repairs and replacements. The Agency purchased vault lids to replace two damaged lids on North Shore Drive, replaced soft start units for effluent pumps 3, 4, and 5, and replaced the driveshafts for rotor 4.

Contractual Services - Other expense was under budget by \$45,489 or 27% with the most notable variances in testing, HVAC (heating, ventilation, and air conditioning), and Electrical. HVAC includes the replacement of a pump seal in the chilled water pump and the condenser fan motor, blade, and sensors in the main chiller. These projects are expected to be completed within the next quarter. The budget for testing included the purchase of a Variable Frequency Drive (VFD) for the portable well pump unit for Lucerne Valley. The plan has changed and



this is not going to be purchased; other alternatives for a mobile unit are being considered. The variance in electric is a result of several projects that were expected to be completed during the period but are now expected to be completed by the end of the fiscal year.

Contractual Services - Professional expense was under budget by \$40,690 or 35%. Budgeted on-call engineering services were not used during the period but are expected to be used by the end of the fiscal year. Additionally, legal services were lower than expected.

Insurance expense was under budget by \$40,679 or 13% due mostly to adjustments for longevity distribution, a 6% credit incentive program discount, a 5% multi-program discount, and credits earned for Agency training. Additionally, final insurance premiums were much lower than the Agency’s insurance provider quoted during the budget process.

Other Operating expense was under budget by \$22,206 or 38% as a result of savings across all line items. The largest variance was in education and training due to training and conferences that were budgeted but not attended.

Non-Operating Income (Expense)

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Nonoperating income (expense)							
Nonoperating income	(11,949)	153,395	108,767	250,212	2,212,514	(1,962,301)	-89%
Nonoperating expense	(250)	(71,002)	(3,270)	(74,522)	(98,934)	24,412	+ (c)
Total nonoperating income (expense)	(12,199)	82,392	112,037	175,690	2,113,580	(1,937,889)	-92%

(b) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a “+” is given. If the actual performance is worse when compared to the budget a “-“ is given.

Non-operating Income (Expense) had a negative variance of \$1,937,889, primarily a result of budgeted grant reimbursements for RBB. Grant reimbursements are budgeted based on expected eligible grant expenditures. During the period, RBB expenditures were lower than anticipated. Additional factors responsible for the variance are a fair market value accounting adjustment partially offset by lease revenue and lower interest payments on the Short-Term loan for RBB as a result of paying the loan principal earlier than required.

Capital Contributions - Connection Fees

Income before capital contributions was below budget by \$1,582,288 for the period due to lower operating expenses than budgeted by \$343,719, slightly higher operating revenue of \$11,883, and a negative variance in net nonoperating income (expense) of \$1,937,890. Capital contributions (or connection fee revenues) were higher than budget by \$12,540. Actual connections were 30 versus 27 budgeted. The Change in Net Position was below budget by \$1,569,747 as a result of the variances listed above.



Big Bear Area Regional Wastewater Agency
Third Quarter Report

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Income before capital contributions	(1,833,396)	3,675,438	(1,129,764)	705,738	2,288,025	(1,582,288)	-69%
Capital contributions – connection fees	<u>58,520</u>	<u>37,620</u>	<u>29,260</u>	<u>125,400</u>	<u>112,860</u>	<u>12,540</u>	<u>11%</u>
Change in Net Position	(1,774,876)	3,713,058	(1,100,504)	831,138	2,400,885	(1,569,747)	-65%

(c) Percent change is not provided if either of the comparison periods contains a loss or negative number. If the actual performance is improved when compared to the budget a “+” is given. If the actual performance is worse when compared to the budget a “-“ is given.

Capital Expenditures

Capital expenditures for the period were \$1,782,281, below the budget by \$4,367,215. The variance is due to timing associated with multiple projects.

	Q1 7/1 Thru 9/30/25 Actual	Q2 9/1 Thru 12/31/25 Actual	Q3 1/1 Thru 3/31/26 Actual	YTD Actual	YTD Budget	YTD Actual vs Budget \$	YTD Actual vs Budget %
Capital Expenditures							
Effluent Disposal	36,548	4,957	(10,658)	30,847	196,008	(165,161)	-84%
Other Equipment	0	39,207	0	39,207	78,520	(39,313)	-50%
Treatment Plant	33,278	66,227	23,713	123,217	1,175,606	(1,052,389)	-90%
Interceptor System	706,274	24,712	0	730,986	1,048,785	(317,799)	-30%
Replenish Big Bear	<u>433,067</u>	<u>316,636</u>	<u>108,322</u>	<u>858,025</u>	<u>3,650,578</u>	<u>(2,792,553)</u>	<u>-76%</u>
Total Capital Expenditures	1,209,166	451,738	121,377	1,782,281	6,149,497	(4,367,215)	-71%

Cash and Fund Balances

The Agency had negative cash flow of approximately \$4.4 million at the end of the reporting period. The negative cash flow reflects approximately \$570,000 in positive cash flow from operating activities offset by \$5.5 million in capital and related financing activities which included capital projects, interest payments, and the loan payment of \$3.4 million to pay off the Short-Term loan for RBB. This was partially offset by investment income of \$402,165, \$129,580 in connection fee revenue (connection fees minus amounts due from other agencies), and \$12,478 in lease revenues.



Big Bear Area Regional Wastewater Agency
Third Quarter Report

	Beginning Balance	Activity During Period	Ending Balance
Cash Balance	16,173,777		11,774,169
Designated Fund Balances			
Capital and replacement fund:			
Current year	1,863,935	(1,782,281)	81,654
Future year	<u>8,890,038</u>	<u>0</u>	<u>8,890,038</u>
Total capital and replacement fund	10,753,973	(1,782,281)	8,971,692
Debt service fund	581,367	(3,721,165)	(3,139,798)
Liquidity fund	3,005,542	1,239,757	4,245,299
Contingency fund:			
Emergency	825,000	0	825,000
Operating	<u>1,007,895</u>	<u>(265,498)</u>	<u>742,397</u>
Total contingency fund	1,832,895	(265,498)	1,567,397
Restricted Funds			
Connection fees	0	129,580	129,580
Total Designated and Restricted Funds	16,173,777	(4,399,607)	11,774,169



Agenda Item 10.A.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Bridgette Burton, Assistant General Manager/Board Secretary
Subject: Multi-Year Contract Award for On-Call Electrical Services for Wastewater Treatment Facilities

Background & Discussion:

On April 9, 2026, a Request for Proposals (RFP) was published for on-call electrical services for wastewater treatment facilities in the Big Bear Grizzly Newspaper, posted to the Agency website, and emailed to six (6) construction trade journals and five (5) contractors. The requested services include furnishing of all labor, materials, tools, equipment, and incidentals necessary to perform electrical work on an as-needed basis across Agency facilities.

In accordance with the RFP, proposals were evaluated by staff based on qualifications, experience, references, and cost. Qualifications-based criteria (60 points) included relevant project experience, client satisfaction, staff qualifications, and communication and reporting capabilities. Cost proposals (40 points) were evaluated to determine best overall value to the Agency. The results below reflect the combined total scores from the three (3) member evaluation panel:

Company	Total Points
Skyview Electric	298
Amtek Construction	274

Skyview Electric received the most points during the evaluation. The Agency has worked with this contractor in the past and they have performed well.

Per the Agency's Purchasing Policy, all contracts must be for a term not to exceed one year unless approved by the Governing Board. Staff is requesting that the contract be awarded for three (3) years with the option to renew the contract annually for no more than two (2) additional one-year terms.

Financial Impact:

There is no financial impact. The budgeted amount for the first fiscal year (FY 2027) is \$59,864. Due to the on-call nature of the services, no minimum expenditure is guaranteed. Annual contract amounts for subsequent years will be established through the Agency's annual budget process.

Recommendation:

1. Award a multi-year contract to Skyview Electric for an initial term of three (3) years, in the amount of \$59,864 for FY 2027, with contract amounts for subsequent years established through the Agency's budget process; and
2. Authorize the General Manager to approve up to two (2) additional one-year extensions.



Agenda Item 10.B.

Meeting Date: May 27, 2026
To: Governing Board of the Big Bear Area Regional Wastewater Agency
From: David Lawrence, P.E., General Manager
Prepared By: Christine Bennett, Finance Manager
Subject: FY 2026 Other Post Employment Benefits (OPEB) Lump-Sum Contribution

Background & Discussion:

The Agency's OPEB liability represents the retirement benefit already earned through service by both active employees and retirees. The Agency began contributing to a trust in FY 2009 to prefund, or set aside, assets to cover this liability. The portion of the OPEB liability not funded by assets is considered the unfunded portion.

During the FY 2017 budget process, the Agency developed a multi-year plan to reduce its OPEB liability by \$1 million, contingent on budget availability. Contributions in the amount of \$200,000 were made in FY 2017, FY 2018, and FY 2020, leaving \$400,000 remaining. In FY 2021, staff was directed to return to the Governing Board prior to making additional lump-sum OPEB contributions.

During the FY 2026 budget process, the Agency budgeted for a lump-sum contribution of \$100,000 to be made by June 30, 2026. The Agency's FY 2026 operating expenses are on track to be below budget and can support an additional \$100,000 lump-sum contribution, for a total lump-sum contribution of up to \$200,000.

In accordance with the Government Accounting Standards Board Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits, a biennial actuarial valuation is completed. The valuation determines the expected rate of return on the assets, the minimum annual contribution, and the funded ratio. The minimum annual contribution to the trust is comprised of two parts: 1) the normal cost (amount earned during the year by active employees, based on a percentage of payroll) and 2) amortization of the unfunded OPEB liability (payment over a fixed term with 13 years remaining). When determining the Agency's amortization payment on the unfunded liability an expected market rate of return on the assets is assumed, currently 6.55% per the actuarial valuation. The Agency pays the expected rate of return on the unfunded portion, similar to interest expense on outstanding debt.

The goal of the Agency has been to increase its funded ratio to near 90% by making lump-sum contributions when possible. By reducing the unfunded liability by \$200,000, the funded ratio is estimated to increase to 74% from 70%. Also, by reducing the unfunded liability, or the amount subject to the interest payment, the amount of interest paid is lower which results in

savings to the Agency of approximately \$290,000 over the amortized period. As the Agency makes future lump-sum payments, the funded ratio and savings will increase.

It is important to note that the actuarial valuation is based on expected investment returns; therefore, actual outcomes could vary if investment returns are different than expected.

Financial Impact:

There is no financial impact. The FY 2026 budget includes a \$100,000 lump-sum contribution to the OPEB unfunded liability. The Agency's FY 2026 operating expenses are on track to be below budget and can support an additional \$100,000 lump-sum contribution, for a total lump-sum contribution to \$200,000.

Recommendation:

Approve a lump-sum contribution to the OPEB unfunded liability up to \$200,000 to be made on or before June 30, 2026.



Agenda Item 10.C.

Meeting Date: May 27, 2026

To: Governing Board of the Big Bear Area Regional Wastewater Agency

From: Sonja Kawa, Human Resources Coordinator/Accounting Technician

Reviewed By: David Lawrence, P.E., General Manager; and
Christine Bennett, Finance Manager

Subject: General Manager Employment Agreement Amendment, Pay Schedule Revisions

Background & Discussion:

The Governing Board completed a performance evaluation of the General Manager in closed session at the April 22, 2026 Governing Board Meeting. It was determined that an adjustment to Mr. Lawrence's base salary was appropriate based on performance and that Mr. Lawrence's automobile allowance would no longer be necessary. The Governing Board has requested an amendment to the Employee Agreement between the Agency and Mr. Lawrence.

As required by the Brown Act, the Governing Board shall provide an oral report that summarizes the proposed action to be taken regarding the salary, salary schedule, or compensation paid in the form of fringe benefits to the General Manager before taking a final action to approve his contract or amendment. The following recommended changes to the financial terms of the Employment Agreement shall be read orally at the meeting:

Salary

- The General Manager's base salary shall be \$23,764.27 per month (equivalent to an hourly rate of \$137.10). This increase is effective on May 16, 2026 which is the first day of the pay period encompassing this action.

Benefits

- The General Manager's automobile allowance shall be discontinued effective May 16, 2026.

These changes necessitate a revision to the General Manager classification pay range for both the current publicly available pay schedule in effect since December 17, 2025 and the approved publicly available pay schedule which is effective July 11, 2026.

Financial Impact:

There is no financial impact. The recommended adjustment is within the budgeted amount for this position.

Recommendation:

Authorize the Governing Board Chair to execute an Employment Agreement Amendment with the approved changes.

Approve the revision to the publicly available Pay Schedule effective December 17, 2025 and the publicly available Pay Schedule effective July 11, 2026.

Attachments:

- Employment Agreement Amendment No. 10
- Pay Schedule Revisions

**AMENDMENT NO. 10
TO EMPLOYMENT AGREEMENT
GENERAL MANAGER**

1. Parties and Date.

This Amendment No. 10 to the Employment Agreement (“Agreement”) is made and entered into effective as of the 27th day of May 2026, by and between the Big Bear Area Regional Wastewater Agency, a municipal organization organized under the laws of the State of California (“Agency”) and David Lawrence (“General Manager” or “Employee”). Agency and General Manager are sometimes individually referred to as “Party” and collectively as “Parties.”

2. Recitals.

2.1 Amendment Purpose. The Agency and General Manager desire to amend the aforesaid Agreement to revise compensation terms and conditions of said employment.

2.2 Amendment Authority. This Amendment No. 10 is authorized pursuant to Section XI(C) of the Agreement.

3. Terms.

3.1 Section 4. Section 4.1 (Salary and Expenses) of the Agreement is hereby amended to provide additional compensation:

“4.1 Governing Board agrees to pay Employee for services rendered pursuant to this Agreement a base salary of Twenty-Three Thousand, Seven Hundred Sixty-Four Dollars and Twenty-Seven Cents (\$23,764.27) per month, beginning on May 16, 2026, in installments at the same time as other employees of the Agency are paid. Further, the parties agree that, during the term of this Agreement, Employee shall receive an annual salary increase for a cost-of-living adjustment (COLA) based on the change in the consumer price index (the CPI). The method used to calculate the change in the CPI shall be the same as that used by the Agency to calculate a cost-of-living adjustment for all employees. The COLA adjustment for Employee shall occur on an annual basis and be effective on the starting day of the first full pay period in July each year. The Governing Board shall also have the right to grant merit and benefit increases as it deems appropriate, at its sole discretion.”

3.2 Section 4. Section 4.4 (Salary and Expenses) of the Agreement is hereby amended to remove reference to Section 5.9:

“4.4 Except for automobile expenses, the Agency shall reimburse Employee for all actual and necessary expenses incurred in connection with the performance of his official duties as its budget permits. Employee agrees to maintain and submit accurate records of all expenses for which reimbursement is claimed.”

3.3 Section 5. Section 5.9 (Automobile Allowance) of the Agreement is hereby deleted in its entirety.

Except as modified herein and by the preceding nine Amendments, the original Employment Agreement, dated March 22, 2017 and effective April 25, 2017, shall remain in full force and effect.

**BIG BEAR AREA REGIONAL
WASTEWATER AGENCY**

DAVID LAWRENCE

By: _____
Chair of the Governing Board

By: _____
David Lawrence

Dated: _____, 2026

Dated: _____, 2026

Attest: _____
Secretary to the Governing Board

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

PAY SCHEDULE

Revision effective May 16, 2026

Schedule shall remain in effect until superseded by governing board action.

Classification	Start	Top
	Hourly Pay Rate	Hourly Pay Rate
Active		
General Manager	\$101.56	\$137.10

Revision to December 17, 2025 Pay Schedule: Governing Board Approval Date May 27, 2026

BIG BEAR AREA REGIONAL WASTEWATER AGENCY

PAY SCHEDULE

Revision effective July 11, 2026

Schedule shall remain in effect until superseded by governing board action.

Classification	Start	Top
	Hourly Pay Rate	Hourly Pay Rate
Active		
General Manager	\$104.91	\$141.63

Revision to July 11, 2026 Pay Schedule: Governing Board Approval Date May 27, 2026